

NEWS RELEASE



***OFFICE OF THE UNITED STATES ATTORNEY
SOUTHERN DISTRICT OF CALIFORNIA
San Diego, California***

***United States Attorney
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For Immediate Release

***ORGANIZER OF INDOOR MARIJUANA GROW PLEADS GUILTY TO
MANUFACTURING MARIJUANA PLANTS, MONEY LAUNDERING, AND
CONSPIRACY TO LAUNDER MONEY***

NEWS RELEASE SUMMARY - August 14, 2006

United States Attorney Carol C. Lam announced that Bardia Rahimzadeh pled guilty today in federal District Court in San Diego, before the Honorable Larry A. Burns, to charges in six federal felony counts of a superseding indictment, including manufacturing marijuana plants, in violation of Title 21, United States Code, Section 841(a)(1) (Count 2); conspiracy to launder money, in violation of Title 18, United States Code, Section 1956(h) (Count 4); and money laundering, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(I) (Counts 11, 13, 14, and 15). Rahimzadeh also agreed to forfeit residential properties, bank accounts, cash, and vehicles.

According to Assistant U.S. Attorney Sherri Walker Hobson, who prosecuted the case, as part of his guilty plea, Bardia Rahimzadeh admitted that he knowingly and intentionally manufactured marijuana plants at a residence located at Crestwood Drive, Oceanside, California, where agents found 888 marijuana plants

following the execution of search warrants on February 24, 2006. Rahimzadeh also agreed that electricity was stolen from SDG&E to operate his marijuana grow operation. SDG&E estimated that Rahimzadeh stole over \$56,000 in electricity during the marijuana grow operation by using an illegal by-pass at the marijuana grow locations.

Regarding the money laundering charges, Rahimzadeh admitted that he used drug proceeds to purchase the property located on Crestwood Drive with codefendant Vincent Suetos, and that he made monthly mortgage payments for the Crestwood property with proceeds from his illegal marijuana operation in order to facilitate and promote his drug activities. Rahimzadeh purchased the Crestwood property in December 2004 for the purpose of cultivating marijuana plants. He also admitted that he intentionally transferred ownership of three real properties to Mithril Management Inc., on or about August 25, 2005, for the purpose of disguising the nature, location, source, ownership, and control of the proceeds of his illegal activity; that is, manufacturing marijuana plants. Bardia Rahimzadeh signed a “no consideration” warranty deed to Mithril Management, using his San Diego companies as the trustee, even though he was the true owner of these properties. Rahimzadeh also admitted that he made mortgage payments with money orders for his three residential properties with proceeds from manufacturing marijuana plants, in order to conceal the source of the proceeds.

Bardia Rahimzadeh further admitted that after the search warrants were executed on February 24, 2006, he directed an employee at Osprey Business Systems to transfer approximately \$94,870, by wire, from his account at Osprey Business Account, in Oregon, to a bank account with Wells Fargo Bank that was not in his name, for the purpose of disguising the nature, location, source, ownership, and control of the proceeds of his illegal activity; that is, manufacturing marijuana plants. Rahimzadeh directed an employee at Osprey to wire the money to the account of one of his friends (also a bank employee) to shield the proceeds from law enforcement.

In connection with his guilty plea, Rahimzadeh also agreed to forfeit: four residential properties, including two beach condominiums on North Pacific Street, Oceanside, California, on Casa Buena Way, Oceanside, California, and on Crestwood Drive, Oceanside, California; \$87,676.06 obtained from a Wells

Fargo Bank account; \$4,052.18 obtained from another Wells Fargo Bank account; \$36,549.37 obtained from a Bank of America account; \$33,195.71 obtained from a Charles Schwab account; a 2006 Toyota Sienna; and a 2005 Mercedes Benz. Rahimzadeh also agreed to pay restitution to San Diego Gas and Electric.

United States Attorney Carol C. Lam stated, "Mr. Rahimzadeh's conduct is an example of the greed that drives drug traffickers. He will now pay the price for his actions."

"Individuals who use deceptive means to launder proceeds from illegal drug activity for their own personal benefit risk prosecution," said Ron Krajewski, Acting Special Agent in Charge, Internal Revenue Service, Criminal Investigation.

At sentencing, defendant faces a minimum mandatory of five years in custody for the drug offense and a maximum of 20 years in custody for the money laundering charges.

Defendant is scheduled for sentencing on November 20, 2006 at 9:00 a.m.

DEFENDANT

BARDIA RAHIMZADEH

SUMMARY OF CHARGES

Count 2

Manufacturing Marijuana Plants (888 plants)

Title 21, United States Code, Section 841(a)(1)

Minimum mandatory of 5 years in custody; Maximum Penalty: 40 years in custody, up to \$1,000,000 fine, at least five years of supervised release.

Count 4

Conspiracy to Launder Money

Title 18, United States Section 1956(h)

Maximum Penalty: 20 years in custody; up to \$500,000 fine; 3 years of supervised release

Counts 11, 13, 14, and 15

Money Laundering

Title 18, United States Code, Section 1956(a)(1)(B)(I)

Maximum Penalty: 20 years in custody; up to \$500,000 fine; 3 years of supervised release

AGENCIES

Internal Revenue Service (IRS)

Drug Enforcement Administration (DEA)

San Diego Narcotics Task Force (DEA)